



**WISCONSIN SUPREME COURT  
FRIDAY, DECEMBER 2, 2005  
9:45 a.m.**

04AP468      Burbank Grease Services, LLC v. Larry Sokolowski

*This is a review of a decision of the Wisconsin Court of Appeals, District IV (headquartered in Madison), which affirmed a ruling of the Dane County Circuit Court, Judge Diane M. Nicks presiding.*

This case involves an employee who took customer information and pricing data from his employer, quit his job, and started a competing company. The Supreme Court will determine if Wisconsin law provides a remedy for misappropriation of business information in situations where there is no trade secret involved.

Here is the background: Burbank Grease Services collects and processes used restaurant fry grease, trap grease, and industrial grease. When this case began, Burbank had about 11,250 customers in Wisconsin and several thousand more in neighboring states. Larry Sokolowski worked at Burbank from 1997 to 2001. During that time, he received a code of conduct, which he acknowledged in writing, prohibiting employees from disclosing confidential information. He also received a handbook that prohibited the improper disclosure of business information and indicated that employees might be required to sign non-disclosure agreements (Sokolowski was not asked to do this).

With the knowledge and approval of his employer, Sokolowski sometimes worked at home to meet deadlines. Among the materials that he brought home were a customer list, pricing lists, a spreadsheet showing the amount of grease collected from each customer, and other items of this type.

After Sokolowski resigned his job at Burbank, he went to work for United Liquid, an industrial waste hauler. While United Liquid had the ability to handle grease, it was not engaged in this service on a large scale. Six months after Sokolowski joined the company, United Liquid formed United Grease. Using Burbank customer lists and pricing data – according to Sokolowski’s testimony in the trial court – United began soliciting Burbank customers and ultimately acquired about 180 of them.

Burbank sued. The trial court dismissed the claim after concluding that the customer data that Sokolowski had acquired did not amount to a trade secret, because restaurants requiring this service “are pretty readily identifiable.”

Burbank appealed and lost, and now has come to the Supreme Court, where it argues that Wisconsin law should be construed to provide protections for businesses whose confidential information is taken, even when that information does not amount to a trade secret. Burbank warns that the Court of Appeals decision, if allowed to stand, will prevent businesses from suing employees who misappropriate confidential information.

Sokolowski, on the other hand, argues that businesses already have a well-established, lawful means of protecting their confidential, but not trade secret, information: require the employee to sign an agreement.

The Supreme Court will determine whether Burbank was properly barred from suing Sokolowski.